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LOCAL NOTICES.

A New Era in Washing.

The best washing and cleansing liquid ever introduced in the world is manufactured by the Ilesa Manufacturing Company of this city. It is called the "Queen of the Wash Tub," and which in ordinary washing can be used in one-third the time. Scientific and competent judges pronounce it the best. It makes clothes whiter every time it is used, and positively does not injure the fabric. It saves time, labor, health and money. Sold by druggists and grocers generally. Send for a bottle. Try it once and you will never regret it.

Try Them—Buy Them.

Hall's Fragrant Havanas, 181 Wood street.

Hot Air Furnaces

And Hot Air Registers, best quality, for sale by Bissell & Co., 25 Liberty street. SMW

The Last Nights,

And last chance for elegant gifts at the Universalist Fair, City Hall.

Trunks, Frunks.

At John Bell's, No. 35 Market street, three doors from Second street.

Fine Grates,

Summer Fronts and Mantels for sale at very low rates by Bissell & Co., No. 25 Liberty street. SMW

Buy the Best

Tobaccos, Segars, etc., at Hall's, No. 181 Wood street.

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Havana, Vara, Connecticut, New York State, at New York prices, branch of Julian Allen, 172 Water street, New York. Daniel P. Dinan, 75 Water street, Pittsburgh.

Parlor Stoves,

Heating Stoves, Laundry Stoves, Cook Stoves, etc., etc. Fronts, Borders, Summer Fronts &c., for sale by Bissell & Co., 25 Liberty street. SMW

The Last Nights

And last chance for elegant gifts at the Universalist Fair, City Hall.

The Celebrated

Triumph Cook Stove, for coal, for sale by Bissell & Co., 25 Liberty street. SMW

FIRST EDITION.

12 O'CLOCK, M.

HARRISBURG.

MEETING OF THE LEGISLATURE

Failure to Organize the House.

Six Ballots for Speaker.

The Organization of the Senate.

Governor's Message to be Read To-Day.

Printing of the Legislative Record.

Special Dispatch to the Commercial.

HARRISBURG, PA., January 7, 1868.

The House was called to order at twelve, M., by J. R. McAfee, Assistant Clerk of the last House. Ninety-nine members answered to their names, Mr. Stranahan, of Erie not being in his seat at roll-call. Six ballots were had for Speaker, with the same result, except the first and second, when Mr. Stranahan not being present, Mr. Davis's vote was only forty-four (44). The last four ballots stood Davis, forty-five; Jones, forty-six; McCamant, seven, and Ewing, two. Smith, of Allegheny, and McCamant, of Blair, voted for Ewing; Riddle and Beckert, of Allegheny, Robison, of Mercer, Richards, of Fulton, Wharton, of Huntingdon, Armstrong, of Lancaster, and Espy, of Crawford, voted for McCamant.

No reason was assigned by the above named Republicans for their course, except they don't like Davis for Speaker.

The House adjourned till to-morrow at twelve M.

Special Dispatch to the Commercial.

HARRISBURG, PA., January 7, 1868.

Senate.

The Senate convened at three o'clock this afternoon, Speaker Graham presiding. The new Senators answered and were sworn in. Mr. McCandless, Democrat, of Philadelphia, protested against the old Speaker swearing in the new Senators. Ruled out.

For Speaker, Jas. L. Graham, Republican, received 19 votes; A. Wallace, Democrat, 14. Mr. Wallace administered the oath of office to Mr. Graham, who spoke as follows:

SENATORS: In assuming the responsible duties of the chair, to which your partiality has called me, I can only promise you to devote to their discharge whatever ability I have, and to give to every apparent attention to the business of the Senate. The rules which govern this body, if observed with ordinary strictness, are sufficient to enable us to transact the business of our constituents and to frame such laws as may be required by the people of the State with due deliberation, without protracting the session to an unusual length period. I shall be all kindness endeavor to have those rules observed, and by every means in my power to preserve the dignity of this body, and to expedite, as far as may be consistent with a proper regard for the deliberative character of the body, the consideration of such various legislative measures to which your attention may be invited.

The important interests of a great State are entrusted to our care. The enterprising people of a mighty Commonwealth, stretching from Lake Erie to the Delaware, with their varied and boundless ore beds, look to us to legislate for their advancement in material prosperity and moral greatness.

Let us then see to it, that whatever measures will develop the hidden resources of the State, will make available the now inaccessible forests and minerals of our mountain and valley, and will foster, and which we will encourage the labor and industry of our citizens, and diffuse intelligence among our children, shall receive the earnest consideration of the Senate.

Prominent amongst these, I take it for granted, a liberal Free Railroad Law, which will extend the benefit of our rail-road system to every county of the Commonwealth, and to every recess in our valleys, however obscure or remote, will receive your early and careful attention. Any law for granting partial and exclusive privileges in the carrying trade has passed. They might justly be considered as unjust attempt exercised in the infancy of our Commonwealth which they were scarcely necessary to exist, but now, when wealth is abundant, when capital seeks everywhere for remunerative investment, and while the larger part of the vast resources and productions of the State lie hidden from public view, and are shut out from the markets of the world for want of transportation, a broad-er and more liberal policy is demanded by the requirements of the age.

Not "the greatest good for the greatest number," but the general good of all, should be our motto and our aim. The system of class legislation, which for several years has controlled the legislation, and especially of our own State, has now been represented by a majority in each branch of the Legislature, was heard in unmistakable terms at the recent election, by its appointed representatives in convention at William's sport last summer; and the emphatic declarations of the candidates of the minority for Governor, Auditor General, Surveyor General, and Treasurer, and of the maj

The Daily Commercial

WEDNESDAY, JANUARY 8, 1868.

THE COMMERCIAL is the largest daily paper in the State, and gives daily one-fourth more reading than any other paper in Pittsburgh. It is the only Pittsburgh paper that uses the telegraph liberally, gives full market reports, and all the news of the day.

As proof of the estimate placed on the market reports of the COMMERCIAL, we will state that they are regularly copied by the New York Economist, Shipping List, Iron Age, and other papers of this character in that and other cities, and that leading English commercial papers and circulars regularly reprint them with credit. There is within five hundred miles, hardly an Iron Factory, Oil Refinery, or leading manufactory of any kind that is not a subscriber to the COMMERCIAL, principally, because its reports are the only full and reliable given of the Pittsburgh markets.

TO OUR EXCHANGES.

Our exchange list, which is of a select rather than extensive character, is about to be revised, and some of our friends may be inadvertently omitted therefrom. Wherever this occurs we shall make prompt restoration upon being notified thereof. Those weekly newspapers which fail to renew the difference of exchange within the month of JANUARY will be dropped from the list.

CROWDED as our columns are to-day, we have no space for comment on Governor GEARY'S message. The attention of the Legislature is called to a variety of subjects, among them the Free Railroad Law, the early passage of which he again urges as a measure linked with the best interests of the State. The message is an intelligent review of the affairs of the State, and contains many valuable suggestions.

MR. JOHNSON'S HANCOCK movement is not warmly supported anywhere, the Democracy preferring to make their own selection. It has had the effect, however, or something else has, to quicken the efforts of the friends of the different candidates, particularly the friends of Mr. PENDLETON, who has evidently obtained the lead. He is the ablest of the batch, and a positive man, which Mr. HORATIO SEYMOUR is not. Pennsylvania having failed to respond to the HANCOCK call, the thing is as good as dead.

WE hope that no one will be deterred from reading Commissioner WELLS'S Report by its length. No one with any pretension to a knowledge of, or interest in, the absorbing questions of Debt, Revenue and Taxation, will pass it by. Of all documents relating to public affairs, this is the most important. Mr. WELLS has brought to his task rare intelligence, and honest purpose, and though his conclusions may not in every particular accord with our views, we conceive that less than this should not be said of this officer.

A PARIS letter by the last steamer says that, in spite of the effort to make it appear otherwise, "the feeling is becoming general that Europe is on the eve of a general convulsion," and that "in commercial and financial circles the distrust occasioned by this belief is very marked." No one believes the present status can continue longer than spring; and it is noteworthy that "in Germany this impression prevails almost universally." The center of this gloomy picture is France. In this connection, the declaration that her relations with England were never more cordial, is important, if true,—and in view of the efforts of Russia to detach England from France it is likely to be true.

IT may appear too positively absurd to credit, nevertheless it is true that ANDREW JOHNSON has his eye firmly fixed on the Presidency a second term—calling this his first. All his plans and movements have for their object his own advancement. Nor is he alone in this. Strange as it may appear, he has backers outside of the Bread and Butter Brigade. Even among out-and-out Democrats—old stagers of the regular line—the remark is occasionally dropped, that after all it may become necessary or politic to make him the Democratic nominee. The New York *Citizen*—quoting the words of a politician of this class—the "very special" correspondent of the New York *Tribune*, and other resident observers at the capital, agree in saying that MR. JOHNSON is "looming up." But the chasm between him and a second term, to ordinary minds, still looks fearfully wide and deep.

A WASHINGTON correspondent represents that the Senators and Representatives in Congress have returned to Washington with something like definite views on affairs, particularly on the whisky tax, in regard to which the say all sorts of business and commercial men are agreed that it cannot be collected, "because it is so disproportionate to the cost of production." The tax and its proportion to the cost of production have been the same from the beginning, and yet the falling off the last year has more than doubled—the disproportion being, we conclude, in the amount of honesty compared with the rascality brought to bear on the enforcement of the law. If up to one year ago the law could be tolerably enforced, to what has the falling off since been owing, except the fact that more brains and vigilance have been employed in defrauding the Government than administering the law.

AN EXTRAORDINARY PROCEEDING.

The canvass for the Speakership of the House of Representatives, at Harrisburg, ended in the nomination, by the Republican caucus, of the Hon. E. W. DAVIS, of Philadelphia. There were, however, eight Republican members who refused to be bound by the decision of the majority, among them Messrs. RIDDLE, SMITH and BECKET, of Allegheny county. We see it stated in one dispatch that they have done so because Mr. DAVIS will not pledge himself to appoint a Free Railroad Committee; but this cannot be, because the broadest Free Railroad pledges were given by Mr. DAVIS some time ago, which secured for him the support of Free Railroad men generally, and the confidence of those who are as devoted to the Free principle as these gentlemen were ever suspected of being.

The joy of the Democrats is the best comfortary that could be made on the course of these gentlemen, and the revived expectations of the Anti-Free Railroad men show conclusively in what interest, knowingly or unknowingly, they are acting. If these gentlemen, wiser, honester and more devoted to the general welfare than the majority, could make it appear that they alone are right and the forty-four Republicans who support DAVIS are wrong, then of course their course would be deserving of nothing but commendation. But nothing of the sort has been made to appear, and it is fair to presume that in no event can the bolters expect to stand justified before their constituents, or be accorded such motives as men ordinarily prefer to live and die by. After taking six ballots yesterday without electing a Speaker, the House adjourned till to-day. Our dispatches will acquaint the reader with the proceedings.

REPORT
OF THE
SPECIAL COMMISSIONER
of the Revenue.

TREASURY DEPARTMENT,
OFFICE OF SPECIAL COMMISSIONER OF THE REVENUE,
WASHINGTON, D. C., January, 1868.

Hon. Hugh McCulloch, Secretary of the Treasury:

SIR: As Special Commissioner of the Revenue of the United States, I have the honor to submit to you my second annual Official Report, and would request that the same, if approved, may be presented to Congress for consideration.

The law establishing the office of Special Commissioner of the Revenue, requires that he shall investigate the sources of national revenue, the best methods of collecting revenue, the administration of existing revenue laws, and the relations of foreign trade to domestic industry; and in the discharge of these duties, the Commissioner has been actively and uninterruptedly engaged since the adjournment of the XXXIX Congress; a portion of the time having been devoted, under the directions of the Secretary of the Treasury, to a personal examination of the revenue systems and industrial conditions existing in Great Britain and some of the leading States of Continental Europe.

In presenting a report based, to a greater or less extent, upon the investigations referred to, it is proposed to ask attention, in the first instance, to the present condition of the national finances, so far as the debt and annual obligations for expenditure are concerned; and, secondly, to discuss the conditions under which the revenue necessary to meet such expenditures may be raised by taxation with the least detriment to the productive power and well being of the whole country.

If a discussion of the topics included under the first head should seem to trespass somewhat upon the province of the Secretary of the Treasury, and to involve a repetition of what the monthly and yearly statements of the Department have already made sufficiently clear, an apology must be found in the fact that the necessity for national revenue grows out of the existence of the National Debt and the requirements for national expenditure; and that a determination of the conditions, amount and prospective management of the latter, must, before any intelligent attempt to establish either limits or a fixed policy concerning the former. Sufficient time has also elapsed, since the close of the war, to furnish some data of financial experience which may be used to advantage in estimating the future.

PERIOD OF MAXIMUM DEBT.

The amount of the National Debt on the 31st of August, 1865—the period of its maximum—less cash in the Treasury, was $2,757,689,571 45, involving an annual obligation for interest of $198,059,629 74. The debt in general, at this period, might be classified as follows:

Of long obligations (5-20 bonds, 6s of 1881, 10-40s, &c.,) $1,084 223 600; of *short time* paper (temporary loan, etc.), $513,691,450; indebtedness, compound interest notes, Treasury notes, United States notes, fractional currency, bonds of 1847 and 1848,) $1,673,466 971 45. of which $375,598,256 58 was currency proper (a)

DEBT BEARING INTEREST IN COIN.

Bonds, 6s, 5 percent.	
Due in 1864	$172,772 100 00
Bonds, 6 per cent.,	
Due in 1867-68	27,052,000 00
Bonds, 6 per cent.,	
Due in 1881-84	566,569,500 00
Bonds, 6 per cent., due	
after 1881	9 41,550 00
Bonds, 5 per cent., due	
after 1881	8,908,341 00
Bonds, 6 per cent., due	
after 1881	18,453,000 00
Bonds, 6 per cent., due	
after 1881	283,220,050 00
	$1,108,360,541 45

DEBT BEARING INTEREST IN LAWFUL MONEY.

Bonds, C. P. C., 6	
per cent., due 1870	$1,256,000 00
Compound int. at Notes,	
due 1867-68	217,021 160 00
7-30 Treasury notes, due	
in 1867-68	830,030,000 00
Certificates of indebted-	
ness, 6 per cent. due in	
1868	85,000 000 00
Temporary loans, in-	
cluding 3-year 6 per cent	71,101,187 53
" " 1-2-3-5 yr.	35,429,307 65
" "	618,127 99
One and two year notes,	
5 per cent	53,004,230 00
	$1,277,478,103 16

DEBT ON WHICH INTEREST HAD CEASED.

Bonds (7-3 six months'	
Certificates	$1,047,300 45
Three years' Notes, 1861,	333,450 00
Compound Int. Notes,	1,204 00
Temporary Coin Loan,	1,200 00
	$1,386,954 45

DEBT BEARING NO INTEREST.

U. S. Notes	$433,160,569 00
Fractional currency,	30,705,553 20
Gold Certificates of Deposit	14 514,200 00
	402,380,677 20
Total debt	2,621,502,848 02
Amount in Treasury,	
coin	111,540,317 35
Amount in Treasury,	
currency	22,498,680 67
	$133,998,998 02
Amount of debt, less cash in the Treasury	$2,191,504,450 00

REDUCTION OF THE DEBT.

By comparison of the tables as above presented, it appears that the total reduction of the debt through the surplus revenue since the 31st of August, 1865, the period of its maximum, to Nov. 1, 1867, including cash in the Treasury has been $266,185,131 43, or an average of over ten millions ($10,237,889) per month. The reduction of the interest-bearing debt, during the six months' interval, on the amount of the abatement of the debt has been $15,971,107 per annum.

PRESENT INTEREST OBLIGATIONS.

The national obligations for interest, growing out of the debt as it existed November 1, 1867, are due as follows:

Coin Interest—5 per ct. Bonds,	$9,242,267
Coin Interest—6 per ct. Bonds,	94,758,738
Total coin interest	$104,028,206
Currency interest—6 per cent.	
Bonds, compound interest	
estnotes	4,836,956
7-30 Notes	24,500,362
3 per cent. Certificates	346,800
Total currency interest	29,609,718
Total interest	$134,207,923

Supposing the amount of debt bearing no interest (currency and certificates) to remain unchanged, and the debt bearing currency interest, with the exception of bonds issued to the Pacific Railroad, to be converted and funded into bonds bearing six per cent. coin interest, the total annual obligations on account of interest on the national debt would be as follows:

Coin Interest	$129,221,893
Currency Interest (6 per cent. Pacific Railroad)	1,982,030
Total Interest	$130,301,923

Supposing, on the other hand, the non-interest-bearing currency to be withdrawn at the rate of four millions per month, and converted into six per cent. bonds, paying interest in coin, the interest obligations from this cause would be increased at the rate of $2,880,000 per annum; which increase would continue during about eight years, the minimum period requisite to effect an entire withdrawal and conversion, with the conditions of restriction heretofore imposed remaining in force.

As we are, however, warranted in inferring from experience, that with the avoidance of extraordinary appropriations on the part of Congress, a surplus of receipts applicable for the reduction of the interest-bearing debt will accrue under almost any system of revenue, more than sufficient to counterbalance any increase in interest obligations, through the funding of the currency, or increased issue of bonds to the Pacific Railroad, no actual increase of interest expenditure is probable; and the present requirement, as above stated, may be fairly regarded as the maximum which the national treasury will ever be required to anticipate and provide for on account of interest.

RESULTS OF THE CONSOLIDATION OF THE DEBT THROUGH FUNDING.

It is important, in this connection, to consider the results, present and prospective, of the funding process so far as applied to the short-date interest-bearing obligations.

First. It has already relieved, and must ultimately entirely free the Treasury from the embarrassment and danger of excessive and early maturing liabilities, (c) and will also obviate, to a considerable extent, the necessity of hereafter maintaining a large currency balance.

Secondly. Whenever the funding process is completed, as it probably will be within the next fiscal year, the discount (minus at once and forever of the loss incurred for the purpose of replacement) of bonds bearing so high a rate of interest as six per cent. may be anticipated; while the surplus revenues will for the first time be made applicable, through purchase in the open market, to the reduction of the amount of bonds of the same description already issued.

In the case of individuals, experience teaches that a second paper cannot usually be purchased before maturity at a discount, and what is true of an individual would be, in a pre-eminent degree, also of the nation, were national affairs in other respects in a normal condition; the 6 per cents of 1848 having been funded in part in 1854, to a premium of 21 per cent., coin, in consequence of an attempt on the part of the Government to pay them before maturity. Under any circumstances a considerable increase in the gold value of the national securities would be at once expected from the discontinuance of any further issues of 6 per cent. bonds, and the application of the surplus revenues to the purchase of those already issued. Such appreciation would in degree apply also to the currency. And although it may be difficult to assign any particular period when the value of the bonds, through the application of the surplus revenues, as above indicated, would be brought to a par with gold, yet, that such a result would follow at no distant day, cannot be doubted; and were United States notes (currency) convertible into bonds, a return to specie payments would be at once effected.* The rapidity of the absorption of the notes under these conditions would furthermore furnish a satisfactory test to the redundancy of the currency.

The 6 per cent. bonds being once brought to par with gold, and the national credit thus fully restored, the gradual refunding of the national debt, at a lower rate of interest, becomes at once practicable; and a guaranteed fifteen to twenty years' loan at from 4½ to 5 per cent. interest could, if deemed desirable, be at once negotiated in Europe for an amount sufficient to replace the entire first issue of the 5-20s, with an annual saving of interest of from five to eight millions of dollars. In this event the Commissioner has reason to believe that he expresses the opinion of the leading bankers of the Continent of Europe.

GOVERNMENT EXPENDITURES OTHER THAN FOR INTEREST.

The present requirements for revenue on account of interest on the National Debt having been considered, we come next to a discussion of the revenue necessary for the ordinary government expenditures: and here it is important to consider what have been the expenditures of the Government during former periods of our history.

Going back to the inception of the Government, we find the total ordinary expenditures to have ranged from $1,877,000 in 1792, to $4,625,000 in 1798, and $6,567,000 in 1800. In the year 1830, the annual expenses had increased to $13,124,000, but had previously attained to an amount of over thirty millions per annum, viz: during the war year of 1814.

The ordinary and extraordinary expenditures of the Government from 1821 to 1861, inclusive, have been as follows:

During the decade, 1821 to 1831, $12,256,000, or $1 67 per capita, an increase of 32 per cent.

During the decade, 1831 to 1841, $24,746,000, or $1 61 per capita, an increase of about 100 per cent.

During the decade, 1841 to 1851, $35,760,000, or $1 83 per capita, an increase of about 44 per cent. per capita.

During the decade, 1851 to 1861, $67,676,000, or $2 06 per capita, an increase of 12½ per cent. per capita.

During the five years from 1861 to 1866, a period of war, the expenditures, exclusive of appropriations for the principal and interest of the funded debt, attained the extraordinary average of $712,720,000 per annum, being $21 07 per capita, in currency, or $14 52 in gold, *a rate of increase, in currency, of over nine hundred per cent.* (624) over the average of the five years previous to the commencement of the rebellion. Including the amount paid for interest, the average expenditure for this period was $776,150,000.

In citing this abnormal period without further comment, we find the total ordinary expenditures for the fiscal year ending June 30, 1867, according to official returns, to have been over one hundred and ninety-one millions ($191,564,676), or nearly seven dollars ($6 81 currency, per capita, an increase over the ordinary expenditures of the fiscal year 1861 ($62,537,000) of one hundred and twenty-nine millions, or 206 per cent. in currency per capita.

If the sum for bounties be included, the aggregate expenditures for the above fiscal year is extended to two hundred and three millions, and the per capita to $5 64, making an increase of more than one hundred and forty millions above the expenditures of the fiscal year 1861.

For the current year 1867–8, the aggregate of ordinary expenditures is estimated at two hundred and seventy millions of dollars, or $7 per capita, an excess of nineteen millions over the expenditures of the preceding year, and of more than one hundred and forty-eight millions, and $6 78 per capita, over the expenditures of 1861.

If the sum estimated for the further payment of bounties be incinded in the above, the total annual expenditure, other than of interest and extraordinary public indebtedness, will, however, be considerably augmented.

It may not be unprofitable in this connection, to analyze these expenditures for ordinary purposes, and to ascertain to what their more than normal proportion is due. The experience of the past would seem to indicate that while in what are called "good times" there is a considerable and perhaps excessive increase in luxuries, the so-called "hard times" rarely press upon the great body of the people of the United States—as they do in other countries—to such a degree as to cause any marked reduction in the consumption of articles of necessity, or in the receipts from chief sources of revenue from imports. And this circumstance illustrates what may be considered as an axiom in political science, namely, That the extent to which the revenue system can be based on the positive wealth of the great mass of the people, to that same extent may its results be considered permanent; for so long as men continue to work, eat, drink, clothe and shelter themselves, so long can a government with such a system rely on a continuous flow of revenue; for then, with every incident of individual life, a mite is unconsciously added to the resources of the Treasury. The large annual increase in value of imports into the United States (exclusive of specie) for the five years prior to and including the year 1860, was in excess of three hundred and twenty-one millions of dollars. This amount, the requirements of the country, growing out of an increase of wealth and population, have probably augmented to a present annual average of over three hundred millions, the duty on which, at the rate of the tariff of 1867, (42 79 per cent. on the total imports would yield $171,160 000(*g*). Neither does it seem probable that even with a reduction of the tariff to the rates of 1857, the yield will fall below an annual average of $150,000 000, inasmuch as the duties on some classes of products formerly of extensive importation are at present all but prohibitory.

It is important, moreover, for the future what shall be the average rate of the tariff, it is important to bear in mind that the practical question presented is not so much what the respective advocates of free trade and protection may desire, as that abstract principles may teach, *but rather what under existing circumstances is most expedient.* And viewed in this light it seems certain, that with all its objectionable features, we have as yet had no such system, as a whole, which operates with so direct a certainty and equality, as the system of taxation levied through the tariff. In proof of this we have only to cite in general the recognized difficulty to collect the internal revenue laid, in particular, the wide discrepancy in the receipts of the income tax from different sections of the country—a single district in the State of New York having paid during the last fiscal year more than one-fifth of the entire sum ($15,496,259) to the credit of this account, while the whole income tax collected from the eleven States of Virginia, Texas, Tennessee, South Carolina, North Carolina, Mississippi, Louisiana, Georgia, Arkansas and Florida during the same period was only $2,300,931 34 (*h*) On the other hand, it is not at all probable that the amount directly paid by the people of the United States in the shape of taxes through their voluntary consumption of articles taken under the tariff, such as tea, coffee, sugar, spices, &c., was any less, proportionately, than that levied and collected through the same agencies in other sections of the country.

While these facts before us, there would seem to be neither motive nor occasion to question the adequacy of the gold revenue from customs to meet so much of the interest on the public debt as may now or hereafter be payable in gold.

But whatever of certainty or permanence may characterize the interest or redemption items of the national expenditure account, the same cannot be predicated of the "ordinary" expenditures, which, within a certain limit, may be arbitrarily increased or diminished at the pleasure of Congress. The data already submitted clearly illustrate the nature and extent of these expenditures, and their more than normal proportion during the period of the war; and while it is not to be supposed that it did during the decade prior to the war is not to be expected. The creation of a debt, of a new system of revenue, the large increase of the army, and of pensions resulting from the effects of the war, the necessary increase of the navy, and of the currency, and the general increase of prices, all contribute to render such a result impossible; but that an absolute necessity has existed for increasing the ordinary expenditures of the last fiscal year (1867) 206 per cent. above one hundred and twenty-nine millions above the expenses of the fiscal year (1860–61), or 347 per cent. above the average of the decade, from 1851 to 1861, may well be doubted. The ordinary expenditures of the army and navy—preparations for war in a time of peace—are the two mill-stones which hang round the necks of the nations of Europe, press them annually deeper into debt, and retard their emergence by the great mass of their people from poverty annually more and more difficult. These same items to-day constitute the bulk of the ordinary expenditures of the United States and as their influence is the same in degree as that already pointed out, the question is not that the necessity for reform is most urgent, while its realization, at the same time, does not appear difficult. Thus, for example, the country is subjected to a present annual tax of over thirty millions, for the support of a navy in a time of peace, where an average annual expenditure of only twelve millions, for this purpose, was considered ample from 1851 to 1861. And as respects the army, although the existence of an Indian war and the problem of reconstruction, have rendered a large increase of expenditures unavoidable, yet essentially constant quantity ($130,000 000.) it is evident that the amount of revenue required to be annually raised by taxation will vary greatly with the disposition which is made by Congress of the so-called "ordinary expenditures." With a reduction of these expenditures to one hundred and forty millions, the annual sum total required to be, at present, provided for, would be two hundred and seventy millions of dollars; seventy-one millions of the past fiscal year remaining unchanged, this sum rises to nearly three hundred and twenty-one millions. An appropriation, however, of fifty millions additional for the redemption of the public debt would increase these amounts, respectively, to three hundred and twenty and three hundred and seventy-one millions of dollars.

It should be noted in this calculation that the difference between the actual "ordinary" expenditures for 1867 (one hundred and ninety-one millions) and the reduced estimate (one hundred and forty millions) is very nearly equal to the sum proposed by the Commissioner to be set aside for the redemption of the principal of the debt, viz., fifty millions. Reduction of expenditures to the extent indicated may not, however, be practicable, or, by reason of prudence, even circumstances, possible; but reduction of the debt is a matter subject to no contingencies, and is entirely within the control of Congress. The element of uncertainty on one hand may be fairly offset by the element of certainty on the other; or, in other words, if the ordinary expenditures should not be reduced, any deficiency from this cause may be amply provided for from the sum set apart for the reduction of the debt, which leads to the conclusion that the sum of three hundred and twenty millions of dollars is the maximum amount which it will be necessary to raise by taxation under any circumstances; estimating the probable requirements for revenue for the fiscal year 1868–9.

To meet such a requirement for revenue, the customs may, even with some reduction of the present tariff, as has been already demonstrated, be undoubtedly relied on for full, if not one hundred and fifty to one hundred and seventy millions (in gold) annually; leaving to be provided forby other forms of taxation, the sum of one hundred and seventy millions. Of this amount the various articles specified (*i*) have averaged over forty-seven millions of dollars (*m*) ($47,640,825) for the last three fiscal years would, if continued, furnish no inconsiderable portion of the sum. The profits on these receipts, mainly the premium on gold, is altogether uncertain, it is safe to refer the collection of the whole amount in question to the Internal Revenue proper, leaving whatever may accrue from miscellaneous receipts to offset contingent expenditures, the payment of bounties, or unexpected deficiencies.

INDUSTRIAL CONDITION OF THE COUNTRY.

Preliminary, however, to an inquiry in detail, respecting the manner in which the Internal Revenue shall be raised, the amount to be levied and collected, a review of the present condition of the capital and industry of the country, and of their ability to sustain the necessary burthen of taxation, seems eminently desirable.

In entering upon such a review, the first point which attracts attention is the wonderful rapidity with which the country, as a whole, is recovering from the effects of the war, and resuming its normal condition of development and progress.

The most noticeable results, drawn from private statistics which present themselves as evidence upon this subject, may be grouped as follows:

First—Immigration, which continues to flow with uninterrupted volume, at the rate of over 300,000 per annum; making a positive yearly addition to the wealth and producing capacity of the country of not less than one hundred and fifty millions of dollars.

Secondly—A continued increase in the invention of machinery and the perfecting of processes for improving and cheapening products; as is more especially made evident by the returns of the Patent Office—the whole number of patents issued for the eleven months ending December 3, 1867, being 10,907, as compared with 9,100 issued during the corresponding period of 1866, 6,920 for the entire year 1865, and 4,657 for the year 1864. This very remarkable increase must not, however, be accepted in its fullest apparent extent, as illustrative of substantial progress. It is so, undoubtedly, in great part; but, on the other hand, the real value of many patented improvements, as additions to the substantial wealth of the country, may well be doubted.

Thirdly—An increase in the quantity and value of the national agricultural products—the aggregate crops of all kinds for the year 1867, although less in some respects than what was anticipated, having exceeded, both in quantity and value, those of any previous year.

Fourthly.—An increase in the capital invested, and in the number and capacity of establishments for manufacturing purposes. In order to obtain some certain information on this subject, the Commissioner, at the commencement of the last calender year, instituted measures for collecting and recording such data relative to every department of industrial progress as were available. The results thus obtained would require a volume for their publication; and, although somewhat imperfect and unsatisfactory in its character, they establish, nevertheless, beyond a doubt and in a most curious and interesting manner, the fact that great and substantial progress in manufacturing industry has been achieved in nearly every section of the country.

In the manufacture of cotton, the amount of machinery at present in the country, and which is substantially engaged in the work of production, is about 15 to 20 per cent. more than existed at the beginning of the war; while the exact data for the whole amount of the crops of the past year, and the fact that the consumption of the country, a sum 200 per cent. in advance of what was required in 1861. In like manner a reduction in the expenditures of the Navy Department from thirty-one millions, the requirements of the year 1865, to seven millions, would be a supplement all the present revenue derived from the following articles, and allow the taxes on the same to be entirely dispensed with:

All the direct taxes, all the articles on which manufactures of wood, including carriages and boxery.

Of all manufactures of iron and steel, including machinery, steam engines, &c., together with hats, leather, and manufactures of leather including boots and shoes, saddlery, harness and trunkes with paper of all kinds.

Or, to put the case differently, if a reduction could be effected, of fifty millions of the expenditures of the War Department of fifteen millions in those of the Navy Department, of fifteen millions in those of the Civil Service, with a like amount to prevent appropriations for what may be called extraordinary expenditures, it would permit the removal, substantially, of nearly all of what are understood to be internal taxes, and also offset from the amount derived during the last fiscal year from the tax upon raw cotton.(*j*)

But extensive and sweeping as these changes, founded on a reduction of expenditures, may seem, they, in reality, indicate but a part of what may be effected in the way of reform.

The Commissioner, in both of his previous reports, has given it as his opinion, and adduced facts in support of the same, that the revenue system can be based on the positive wealth of the people, to that same extent may its results be considered permanent; for so long as men continue to work, eat, drink, clothe and shelter themselves, so long can a government with such a system rely on a continuous flow of revenue; for then, with every incident of individual life, a mite is unconsciously added to the resources of the Treasury. The large annual increase in value of imports into the United States (exclusive of specie) for the five years prior to and including the year 1860, was in excess of three hundred and twenty-one millions of dollars. This amount, the requirements of the country, growing out of an increase of wealth and population, have probably augmented to a present annual average of over three hundred millions, the duty on which, at the rate of the tariff of 1867, (42 79 per cent. on the total imports would yield $171,160 000(*g*). Neither does it seem probable that even with a reduction of the tariff to the rates of 1857, the yield will fall below an annual average of $150,000 000, inasmuch as the duties on some classes of products formerly of extensive importation are at present all but prohibitory.

It is important, moreover, for the future what shall be the average rate of the tariff, it is important to bear in mind that the practical question presented is not so much what the respective advocates of free trade and protection may desire, as that abstract principles may teach, *but rather what under existing circumstances is most expedient.* And viewed in this light it seems certain, that with all its objectionable features, we have as yet had no such system, as a whole, which operates with so direct a certainty and equality, as the system of taxation levied through the tariff. In proof of this we have only to cite in general the recognized difficulty to collect the internal revenue laid, in particular, the wide discrepancy in the receipts of the income tax from different sections of the country—a single district in the State of New York having paid during the last fiscal year more than one-fifth of the entire sum ($15,496,259) to the credit of this account, while the whole income tax collected from the eleven States of Virginia, Texas, Tennessee, South Carolina, North Carolina, Mississippi, Louisiana, Georgia, Arkansas and Florida during the same period was only $2,300,931 34 (*h*) On the other hand, it is not at all probable that the amount directly paid by the people of these States in the shape of taxes through their voluntary consumption of articles taken under the tariff, such as tea, coffee, sugar, spices, &c., was any less, proportionately, than that levied and collected through the same agencies in other sections of the country.

While these facts before us, there would seem to be neither motive nor occasion to question the adequacy of the gold revenue from customs to meet so much of the interest on the public debt as may now or hereafter be payable in gold.

If the sum estimated for the further payment of bounties be incinded in the above, the total annual expenditure, other than of interest and extraordinary public indebtedness, will, however, be considerably augmented.

It may not be unprofitable in this connection, to analyze these expenditures for ordinary purposes, and to ascertain to what their more than normal proportion is due. The experience of the past would seem to indicate that while in what are called "good times" there is a considerable and perhaps excessive increase in luxuries, the so-called "hard times" rarely press upon the great body of the people of the United States—as they do in other countries—to such a degree as to cause any marked reduction in the consumption of articles of necessity, or in the receipts from chief sources of revenue from imports. And this circumstance illustrates what may be considered as an axiom in political science, namely, That the extent to which the revenue system can be based on the positive wealth of the great mass of the people, to that same extent may its results be considered permanent; for so long as men continue to work, eat, drink, clothe and shelter themselves, so long can a government with such a system rely on a continuous flow of revenue; for then, with every incident of individual life, a mite is unconsciously added to the resources of the Treasury. The large annual increase in value of imports into the United States (exclusive of specie) for the five years prior to and including the year 1860, was in excess of three hundred and twenty-one millions of dollars. This amount, the requirements of the country, growing out of an increase of wealth and population, have probably augmented to a present annual average of over three hundred millions, the duty on which, at the rate of the tariff of 1867, (42 79 per cent. on the total imports would yield $171,160 000(*g*). Neither does it seem probable that even with a reduction of the tariff to the rates of 1857, the yield will fall below an annual average of $150,000 000, inasmuch as the duties on some classes of products formerly of extensive importation are at present all but prohibitory.

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But whatever of certainty or permanence may characterize the interest or redemption items of the national expenditure account, the same cannot be predicated of the "ordinary" expenditures, which, within a certain limit, may be arbitrarily increased or diminished at the pleasure of Congress. The data already submitted clearly illustrate the nature and extent of these expenditures, and their more than normal proportion during the period of the war; and while it is not to be supposed that it did during the decade prior to the war is not to be expected. The creation of a debt, of a new system of revenue, the large increase of the army, and of pensions resulting from the effects of the war, the necessary increase of the navy, and of the currency, and the general increase of prices, all contribute to render such a result impossible; but that an absolute necessity has existed for increasing the ordinary expenditures of the last fiscal year (1867) 206 per cent. above one hundred and twenty-nine millions above the expenses of the fiscal year (1860–61), or 347 per cent. above the average of the decade, from 1851 to 1861, may well be doubted. The ordinary expenditures of the army and navy—preparations for war in a time of peace—are the two mill-stones which hang round the necks of the nations of Europe, press them annually deeper into debt, and retard their emergence by the great mass of their people from poverty annually more and more difficult. These same items to-day constitute the bulk of the ordinary expenditures of the United States and as their influence is the same in degree as that already pointed out, the question is not that the necessity for reform is most urgent, while its realization, at the same time, does not appear difficult. Thus, for example, the country is subjected to a present annual tax of over thirty millions, for the support of a navy in a time of peace, where an average annual expenditure of only twelve millions, for this purpose, was considered ample from 1851 to 1861. And as respects the army, although the existence of an Indian war and the problem of reconstruction, have rendered a large increase of expenditures unavoidable, yet

an increase so large as sixty-six millions, or upwards of 200 per cent., seems excessive. With the discontinuance, therefore, of what (it is to be hoped) are temporary exigencies, a very large reduction of the expenses of this department, to no distant day, might be anticipated and required; while, in any event, some reduction would seem to be immediately feasible. As, for example, in the Bureau of Ordnance, the expenses of which are reported as $9,932 000 for the fiscal year 1866, and $4,690,000 for 1867, as against $1,662,000 for 1861.

The United States are at present in a state of profound peace with all foreign nations. They have placed themselves, moreover, under bonds of more than two thousand millions of dollars to keep the peace; neither is it to be believed that a foreign war is likely to occur, under any circumstances, except through our own seeking. But apart from these considerations, is it not well to recognize, as a truth, the great armies and navies, so far from being elements of strength, are in fact indications of weakness and national apprehension, and that henceforth the contingency of a foreign war, is to be determined by the state of the exchequer, rather than as heretofore by the sword?

As regards the expenditures of the other departments of the government, it would appear from the table above submitted, that those of the State Department for foreign intercourse have not largely increased since 1861, and are not excessive ($1,518 589, (*i*) compared with a similar annual expenditure on the part of Great Britain of $2,191,000).

In the matter of pensions, the increase of expenditure—nearly 2,000 per cent.—has been comparatively greater than that in any other department, viz.: $20,902 690 for 1867, as compared with $1,034,599 for 1861.

Here alone no diminution of expenditures can be deemed desirable, and as nearly eighty thousand applications are yet on file, suspended or unacted upon, no reduction can be anticipated, but on the contrary, it is certain, that for some years to come, large appropriations for pensions will be imperative.

In the details of the "Civil List" and the "Miscellaneous," an increase of expenditures of 156 and 112 per cent. respectively, making an annual aggregate of over twenty-seven millions, would seem to indicate that some considerable reduction is here also, entirely practicable.

The estimated extraordinary expenditures for the current and succeeding fiscal year, viz.: for bounties, reimbursement of State war debts, and for premiums on gold, are, however, in excess of sixty millions, but these and similar outlays are not in any sense a necessity, and can present no legitimate claim for future continuance.

The Commissioner, therefore, having in view the industry and commerce of the country, and the national revenues—whose interests he is by law required to investigate—would respectfully recommend that the appropriations be made for ordinance except what is necessary for immediate use, or for fortifications beyond what is required to keep them in repair.

Thirdly. That no appropriations be made for public works, other than fortifications, except such as are of the most urgent necessity.

Fourthly. That, so long as the necessities of the nation are paramount to those of individuals, no claims for damages sustained in consequence of the rebellion be either paid or considered.

Fifthly. That the heads of the various departments be required by Congress to practice the most rigid economy, and to reduce their employees to the minimum number requisite for the discharge of the public service.

Should the sum thus annually appropriated for the further purchase of foreign territory, and that no commercial treaty with any foreign nation be ratified, of a character calculated materially to diminish the customs revenue (*k*) of the country, without the consent of Congress of an economical policy as above indicated, the ordinary expenses of the Government might, it is believed, be immediately reduced one hundred and forty millions per annum, which amount is nearly double the entire excess of over 100 per cent. on the ordinary expenditures of the fiscal year 1861. With a saving of from fifty to sixty millions per annum in the interest on the public debt, and an extent sufficient to afford an immediate relief and stimulus to the industrial interests of the country, becomes at once practicable, and that on the assumption that no increase in any improvement in the method of assessing and collecting taxes, or from the progress of the country in wealth and population. Thus, for example, the estimated cost of the expenditures of the War Department from $80,841,555, as in 1867, to sixty millions of dollars would allow a reduction of over 30 per cent. on the sum now levied on manufactured products, exclusive of the internal revenue taxes on other articles generally classed under the head of luxuries, and still leave to the credit of this department for its increased necessities, growing out of the change in the condition of the country, a sum 200 per cent. in advance of what was required in 1861. In like manner a reduction in the expenditures of the Navy Department from thirty-one millions, the requirements of the year 1865, to seven millions, would allow of the abolishment of the present revenue derived from the following articles, and allow the taxes on the same to be entirely dispensed with:

All the direct taxes, all the articles on which manufactures of wood, including carriages and boxery.

Of all manufactures of iron and steel, including machinery, steam engines, &c., together with hats, leather, and manufactures of leather including boots and shoes, saddlery, harness and trunkes with paper of all kinds.

Or, to put the case differently, if a reduction could be effected, of fifty millions of the expenditures of the War Department of fifteen millions in those of the Navy Department, of fifteen millions in those of the Civil Service, with a like amount to prevent appropriations for what may be called extraordinary expenditures, it

sonents of a reduction in the rate of taxation will undoubtedly assin present, as they have heretofore, the argument test all the reasons to be given in favor of the reduction of the rate of $2, will appear equally applicable to those any lower rate than can be practically applied; or, in other words, that the manufacturer who will cheat with the tax at $2 will continue to do so at 50 cents; and that the results of all extraordinary inducements to fraud will be equivalent to abandoning all idea of raising from spirits any considerable amount of revenue. To this it may be said:

First, that in determining the tax, there is certainly some line of demarcation between moderation and excess, and that $2 per gallon is excessive, and higher than is imposed by any other nation.

Second, That the inducement of the great profit to be obtained on evading a $2 tax are doubtlessly temptations to engage in illicit manufacture who would be unwilling to do so with a certainty of realizing a much smaller rate of profit. This proposition, although at first seemingly self-evident, finds a striking confirmation in the fact that the number of distilleries, in certain sections of the country, has increased just in proportion as the tax on spirits has been augmented. Thus, for example, in the Eighth Collection District of the State of New York, there was, before the Internal Revenue law went into operation in 1864 but one distillery, when the tax of 60 cents per was imposed some five or six additional distilleries were started. When at sixty cents about one dozen were in operation; but this number under the $2 tax increased to about forty, furthermore, the fact is established in one district in this same district in one month in 1864, under the sixty cents tax, was one third more than was paid in the aggregate by thirty distilleries in the eight months succeeding November 1, 1864, when the tax was $2; or, in other words, one distillery in one month in 1864, paid $58,819 at sixty cents per gallon, while thirty distilleries in eight months of 1866-67, paid at $2 per gallon only $58,804.

Third—The reduction of the tax to fifty cents per gallon would entirely prevent the extensive and increasing smuggling of distilled spirits on the outbreak country, as the tax on the Canada Province would then be so far below ours as to be not worth the while to contest competence or in excess of our own, and thus cut off all margin to profit. It would also greatly diminish or entirely destroy the illicit manufacture of spirits for consumers to the boarder, as this article, (mainly imported) could not, by reason of its greater cost, be used to advantage as a substitute for grain. The extent to which legitimate industry is rendered by the continuance of the present tax, was fully discussed in the report of the Revenue Commission in 1865; but one striking illustration, growing out of the events of the past year, may be adverted to. In the spring of 1867, the Drug Exchange of Philadelphia passed a resolution that in order to assist the Government in the collection of the tax on distilled spirits, they would in no case buy, or become parties either directly or indirectly to the sale of any spirits for the arts, the average cost of production, plus the Government tax. These resolutions have, it is believed, been faithfully adhered to, and the results is that the manufacturing distilleries and rectifying establishments have experienced a great decay in certain branches of their business, which have been attracted elsewhere by the competition of the more unscrupulous.

The Commissioner would therefore recommend, as he has done in his previous reports, that the attempts be no longer persisted in on the part of the Government to collect a tax which all experience shows cannot be collected, and whose continuance is utterly demoralizing in its influence and in a high degree injurious to industry, but that they be reduced to fifty cents per gallon as a maximum.

Whether any loss of revenue would occur from any such reduction may well be doubted, especially when it is remembered that the Government has in this far received but a small additional revenue in any one year from a tax of $2 per gallon over and above what it did for the fiscal year ending June 30, 1864, when the tax was from 20 to 60 cents per gallon.

In order, however, to ensure against any loss of revenue, but rather to make its increase certain, the Commissioner would propose a new system, based on the principle of dividing the collection of the tax between the manufacturer of the spirit and its sale, and making both a part of one and the same system. The leading features of this system are as follows:

First—To reduce the tax to 50 cents per proof gallon as a maximum, and make its collection obligatory at the place of manufacture; abolish all bonded warehouses for the storage of spirits, except perhaps a few at exporting points for the arts, and forbid all transportation of spirits in bond. Recognizing, also, the fact that any legislation which is certain to bring relief to and promote the industrial interests of the distilling country is sufficient to warrant the disregard of the interests of a comparatively small number of individuals, the special tax or license to be imposed upon distillers, now $100, should be advanced to at least $1,000, and that the same should be made applicable to rectifiers.

The impracticability of the plan of collecting the tax, through what is called the "receipted" system, has been so clearly demonstrated by the Commissioner of Internal Revenue in his recent report, that any further reference to it is unnecessary.

Some one of the recently invented spirit meters may, however, afford certain additional safeguards against fraud as to render its obligatory use most desirable. It should, however, be borne in mind that the use of a meter will only prove effectual against fraud in the case of distilleries which are known and recognized, and that it is the secret distilleries, working illicitly, that are likely to prove hereafter the most difficult to manage. It is not, therefore, from the effective reform of the administrative system would do much toward breaking up the very large number of illicit stills which are believed to be in continual operation in the remote and sparsely settled sections of our country, but that such a reduction of the tax is the only remedy, for illicit whisky, on the average, costs at least 50 per cent. more than that produced legitimately, on a large scale, with the most economical forms of apparatus.

In so limiting the probable amount of revenue to be derived from a tax of 50 cents per gallon on proof spirits, it should also be remembered that there will be a large increase in the use of alcohol for industrial purposes as, which increase good authorities have estimated at from eight to ten million gallons per annum. Such a result, furthermore, would bring with it the additional advantage that it would lead to an increased market for several million bushels of Western grain, and that much of the grain which would thus be used, and which is now, in fact, being damaged by overheating, is of little value for any other purpose than the production of alcohol. On an estimated increased annual product of from fifty-five to sixty millions of gallons of proof spirits, and through the increase recommended in the "license" or "special" tax on distillers and rectifiers, the Commissioner is of opinion *that a tax of fifty cents per gallon would produce in excess of over twenty five millions of dollars per annum.*

Secondly—The special tax annually imposed on *retail* dealers in liquors is now $25 00; and it at present yields it a revenue of about three millions of dollars per annum. With the reduction of the tax on the manufacture of proof spirits to fifty cents per gallon, this special tax might be advanced to $100, thereby increasing the aggregate revenue from this source to upwards of ten to twelve millions of dollars per annum.

Thirdly—The special or license tax imposed on wholesale dealers in liquors is $100 when the annual sales are not in excess of $50,000, and one-tenth of one per cent. on the amount in excess of that sum. The revenue obtained during the last fiscal year from these taxes was, respectively, $982,135 and $114,715, making a total of $1,096,850. The special tax imposed upon rectifiers is $25 for each 500 barrels produced, and yielded, the last fiscal year, the sum of $80,460. The total amount received from both wholesale dealers in liquors and rectifiers was $1,177,320.

The Commissioner would propose that the special taxes referred to, under this head, should be repealed, and that a tax of from two to three per cent. be imposed on the value of all spirits sold at wholesale, to be paid monthly, and a tax of ten cents per gallon on all spirits to be paid weekly. A tax of 2½ per cent. on sales, and ten cents on spirits rectified, will, in the opinion of the Commissioner, yield a revenue which cannot be easily evaded, or at least very materially, by any contrivance

The Daily Commercial

XLth CONGRESS.

THE COTTON TAX BILL.

SENATE ADOPTS A SUBSTITUTE.

Exemption from Tax for One Year.

Further Sale of Iron Clads.

Collection of the Whisky Tax.

Speech of Sam. Carey on National Debt.

Special Dispatch to the Commercial.

WASHINGTON, D. C., January 7, 1868.

Congress.

Congress accomplished some legislation today. The Senate discussed the fate of the act striking out of the charters of the cities of the District the word "white," which the President did not sign, and which he claims failed to become a law by the adjournment of Congress. Several Senators expressed the opinion that a recess was not an adjournment, and that the act had become a law. Finally it was decided to reintroduce the measure and pass it over again.

The bill to repeal the cotton tax was taken up and debated at tedious length, and a substitute passed for the House bill providing for a suspension of the tax for the present year only.

In the House a bill was passed authorizing the Secretary of the Navy to sell iron clads and other vessels not needed by the navy.

The Committee on Elections reported a resolution declaring E. G. Simms not entitled to a seat in the House from the First District of Kentucky, and that the oath of office be administered to L. S. Trimble. It was laid over and ordered to be printed, in order to give Mr. Simms, the contestant, an opportunity to be heard.

The Ways and Means Committee reported a bill relating to the collection of the tax on distilled spirits, which provides that no spirits shall be withdrawn from a warehouse for redistillation or other purposes until the tax is paid. The bill also abolishes class "B" warehouses, and paves the way for new and important legislation on the whisky question. It is believed that the next move will be to reduce the tax. Several members of the committee favor it, and the report of Special Revenue Commissioner Wells, made to-day in favor of such reduction has strengthened it. The bill passed without much debate.

The day's session wound up with a speech on the finances, made in Committee of the Whole by Gen. Carey, of Ohio, who favored the payment of the debt in greenbacks and coin accordingly as the law specified.

WASHINGTON, January 7, 1868.

SENATE.

Mr. GRIMES presented a memorial from the Assistant Professors of the Naval Academy for an increase of pay of naval officers.

Mr. WILLIAMS introduced a joint resolution prov ding for the adjustment of accounts of the Acting Collector of Internal Revenue. Referred to Committee on Finance.

Mr. SUMNER introduced a bill to abolish the District Court of Texas, and to extend the jurisdiction of the Court of the Western District over the whole State. Referred to Judiciary Committee.

Mr. WILSON introduced a bill vacating certain offices in Georgia, and empowering the Constitutional Convention to fill the same.

Mr. CORBETT introduced a bill to amend existing laws in regard to internal revenue and for other purposes. Referred to Committee on Finance.

Mr. POMEROY introduced a bill in regard to the claims of the executors of the Indian Chief, John Ross. Referred to Committee on Claims.

Mr. HARLAN introduced a bill to amend the act defining the rights of volunteers as part of the army, so as to give officers receiving their proper rank, including the Marine Board. Referred to Committee on Military Affairs.

Mr. TRUMBULL called up the Joint Resolution appointing as Regents of the Smithsonian Institute, Theodore C. Woolsey, of Connecticut; Wm. B. Astor, of New York; John McLean, of New Jersey, and Peter Parker, of Washington. The resolution was adopted.

Mr. WILSON reminded the Senate that a bill for the further security of equal rights in the District of Columbia, had been sent to the President December 10th. The President having failed to act, he now asked to introduce a bill precisely similar.

Mr. SHERMAN suggested the reference of the matter to the Judiciary Committee, as it might be that the bill was now a law of the land. After a short debate, in which by Messrs. Johnson, Edmunds, Drake and Sumner, until the morning hour had expired, the bill was so referred.

A resolution was introduced by Mr. DAVIS, instructing the Committee on Commerce to inquire into the expediency of regulating fares on the various railroads in the United States. Referred to the Committee on Commerce.

The bill to repeal the tax on cotton was taken up.

Mr. CONKLING withdrew his motion to postpone, saying he should at the proper time press the amendment confining suspension to one year. The question recurring on Mr. Morton's amendment exempting, crops grown in 1867 and remaining in the hands of producers.

Mr. WILLIAMS moved an amendment exempting all cotton remaining unsold in the hands of producers when the sales clause, providing that no tax hereafter collected shall be refunded. Lost.

Mr. JOHNSON'S amendment was also lost.

The question recurring on Mr. Morton's amendment reducing the tax on cotton grown after 1867 to one cent. Mr. Conkling moved to amend by confining the exemption to 1868.

Messrs. JOHNSON, of Maryland, PATTERSON and PATTERSON, of New Hampshire, spoke in favor of repeal, and Mr. Morrill, of Vermont, against it.

Mr. DAVIS made a speech of some length, claiming that if the North would keep up a spoon out of the Southern dish, the South would soon be reconstructed, and that free negro labor had proved a failure.

Mr. MORTON replied that the reason why the Northern spoon was in the Southern dish was that the South had once put its spoon in the Northern dish. The negro might have been made lazy by freedom, but he could be benefited if the Southern whites were thereby made more industrious. He then proceeded to support the justice of at least a reduced tax.

Mr. HOWARD would support the amendment of the Senator from Indiana. He could not vote to give to the South privileges which he was compelled to deny to his own constituents, and he inquired of the Chairman of the Finance Committee whether provisions had been made for supplying the deficit occasioned by removing this tax.

Mr. SHERMAN replied, instancing several portions of the estimated expenses of the Government for the next fiscal year which would be reduced. The whole would not exceed one hundred and forty or one hundred and fifty million dollars, so that Congress might now safely throw off one hundred millions taxation.

Mr. HOWARD inquired whether that committee had considered the propriety of discontinuing the payment of the war debt for the present year.

Mr. SUMNER said that a bill to that end was now on the table.

HOUSE OF REPRESENTATIVES.

Mr. COBB offered a resolution instructing the Committee on Military Affairs to inquire into the expediency of putting officers of the 30th Wisconsin volunteers on the same footing in reference to three months' extra pay proper as though they had been mustered into the service of the United States at the time of the passage of the act granting such extra pay to certain officers. Adopted.

Mr. HOPKINS offered a resolution instructing the Committee on Public Roads to inquire into the expediency of subjecting to entry under the homestead law and offering for sale and pre-emption for actual settlement, all the unsold even numbered sections and parts of sections of public lands remaining unsold along the lines of railroad where the odd numbered sections have been granted or reserved to aid in the construction of railroads. Adopted.

The SPEAKER presented a communication from the Secretary of the Treasury transmitting the report of the Special Commissioner of Revenue. Referred to the Committee on Ways and Means.

Also, a communication from the Secretary of the Interior transmitting copies of letters from the Secretary of War *ad interim* and General Halleck relative to the surveying and bringing into market the lands of the peninsula of Alaska. Referred to the Committee on Public Lands.

The bill to facilitate payment of soldiers' bounty came up. All amendments were withdrawn, and Mr. WASHBURN, of Indiana, proposed as a substitute a bill directing the Secretary of the Treasury to employ by transfer or otherwise a sufficient number of additional clerks, not less than fifty, in the division of the Second Auditor's office in the Treasury Department, for furnishing information to the Paymaster General in reference to those soldiers claiming bounty under act of July, 1866, to be continued so long as necessary, and preference to be given in this employment of clerks to discharged soldiers and sailors. Also, directing the Secretary of the Treasury to provide adequate and convenient rooms for all clerks employed in that business. Also, directing the Assistant Treasurer at New York to pay duplicate checks on notice of loss of original.

Mr. ARNELL asked Mr. WASHBURN to accept an amendment transferring the claims of colored soldiers for bounty and back pay to the Freedmen's Bureau.

Mr. WASHBURN declined to allow the amendment to be offered, and pressed a vote on the substitute, which was agreed to and the bill passed.

Mr. PIKE, from the Committee on Naval Affairs, reported back the joint resolution authorizing the Secretary of the Navy to dispose such iron clad vessels as his judgment are not required by the interests of the service, at a price to be determined upon by appraisal, to be made upon a board of not less than five naval officers, two of whom shall be engineers, a report to be made to Congress as fast as vessels are sold of the amount realized from such sales and of the parties to whom sold.

Mr. WOODFIELD moved an amendment providing that the proceeds of the sales shall be paid into the Treasury.

Mr. WASHBURNE, of Illinois, expressed a desire to have information as to the number and names, prices, &c., of iron clads belonging to the navy, saying there had been the grossest abuses in the whole business.

Mr. WOOD suggested that the vessels should be sold at public auction, the Board fixing their minimum price.

Mr. PIKE stated that this bill applied to fifty-four iron clad vessels that were now laid up. Of these there were at League Island, 21; New Orleans, 8; Mound City, 8; Washington, 5; Boston, 4; New York, 3; San Francisco, 3; Philadelphia, 3.

Mr. MAYNARD inquired who were expected to be purchasers.

Mr. PIKE said it was manifest it was to the interest of Government to dispose of these vessels. A better class could be produced in case of necessity, for in addition to them there were a number of them on the stocks which could be completed in a very short time. Last year there had been appehensions of a difficulty between France and Prussia, and France had immediately reinforced its navy by the purchase of two of our largest sized iron clads. Now some of the smaller powers in Europe and South America were in trouble and wished to purchase some of the smaller vessels, and applications for that purpose had been made to the Navy Department last week.

After further debate, the joint resolution passed, yeas 90; nays 29.

The resolution offered by Mr. Newcomb on the 26th of November, calling on heads of departments for information about their employees, was tabled. The Senate joint resolution authorizing Rear Admiral Thatcher to accept a decoration from the King of the Hawaiian Islands was passed.

The Senate joint resolution limiting contracts for stationery and other supplies for executive department to one year, was referred to the Committee on Appropriations.

The Senate joint resolution directing the Secretary of the Interior to suspend for forty days all work on the jail to be erected in the District of Columbia was passed.

Mr. SCHENCK, from the Committee on Ways and Means, reported a bill to compel payment of taxes on distilled spirits in all cases when withdrawn from bonded warehouses, and made a lengthy explanation of the frauds which make it necessary. After considerable debate the bill as reported was passed.

Mr. UPSON from the Committee on Elections reported that Mr. Trimble was entitled to his seat as a Representative from the First Congressional District of Kentucky. Laid over for future action.

The House went into Committee of the Whole on the State of the Union, and was addressed by Mr. Cary on the question of the public debt.

Mr. CARY said that whatever diversity of opinion existed in the House in regard to the public debt, the House was united in the opinion that the debt must be paid to the uttermost farthing. The Nation's honor must in no way be impeached or compromised, and nothing must be done to impair confidence in the integrity of the national character. Nevertheless, the mad-dog cry of repudiation should not deter any from considering carefully and discussing the subject. The persons with whom that term is so familiar should know that it required no act or declaration of Congress to bring about such a catastrophe, and that the whole matter would be resolved by the discovery that the resources of the country would not pay the interest, much less principal of the debt in addition to all the expenses of the Government, and by the further discovery that the people would not impose upon themselves intolerable burdens to that end.

The national debt was great, and its burden very heavy, and the man who by an unjust and forced construction of the law, against the interest of the people, sought to make the burden greater and the burden heavier, was the pioneer of repudiation. Those who claimed that the principal of the two thousand millions of 5-20 bonds was redeemable only in coin, were doing more to debauch the morals of the country, and to blunt the sensibility of national honor, than all the other influences combined. Justice was the only sure foundation of the public faith, and when the sense of justice was outraged, the sense of obligation towards all by whom that outrage was attempted was weakened, if not destroyed. There was a principle of universal application, and he cautioned the bondholders to beware lest the overburdened tax-payers should have their sense of obligation so weakened by unreasonable exactions that they would utterly repudiate the debt which they now acknowledged to be just.

He challenged any man to take a six per cent. Five-Twenty bond and a five per cent Ten-Forty bond, examine them and the law authorizing their issue, and say whether the principal of both was payable in the same manner. The law authorizing the former expressly provides for the payment of the principal and interest in coin, while the authority of six per cent. Five Twenties declares the interest should be paid in coin. If the principal as well as interest of the Five Twenties was payable in coin, why not either have so declared or have said nothing about how the interest should be paid? Would the people, the tax-payers, the men who must by toil pay this great national debt, consent to a very large practical increase of it to relieve the disappointment of the bondholders and to make good the opinions of Government agents who were not authorized by law to construe the acts of Congress?

If the present Congress should authorize, and he hoped it would, the issue of $515,000,000 of treasury certificates, receivable at par for taxes and government dues, and made a lawful tender, and should issue them for the express purpose of redeeming that amount of bonds now redeemable, or any other in future not payable in gold, it would certainly be no greater breach of faith than that which had been already done. This encouragement to labor incurred upon a paper coinage standard, and it must and should be paid in the same coin, in which it has been contracted, and this confirmed in all respects to the terms of the original contract.

Mr. PAINE offered a re olution directing the Secretary of State to furnish copies of correspondence, &c., on file in reference to the claim of B. W. Perkins against the Russian Government, arising out of contracts for ordnance. Adopted.

The SPEAKER presented a communication from the Commissioner of Internal Revenue, relative to the mode of taking the Shaker Association at New Lebanon, N. Y. Laid on the table.

The SPEAKER presented the proceedings of a meeting at Detroit relative to the rights of naturalized citizens. Referred to the Foreign Committee.

Also, an Executive communication inclosing the report of General Thomas in the case of Mil Iken, relative to the destitution of the Sioux Indians, near Devil's Lake, Dakota.

Also, the names of Deputy Collectors and Assistant Assessors who have performed the duties of Collectors and Assessors.

Also, a Communication from the Judge Advocate General in reference to the application of Robert Buffum, of the 21st Ohio volunteers, for compensation for hazardous services during the war, &c. Referred.

The SPEAKER announced that he had appointed Messrs. Schofield, Poland and Pruyn Regents of the Smithsonian Institute for the present Congress.

The Senate joint resolution for the appointment of Regents of the Smithsonian Institute was adopted.

Mr. LOGAN asked leave to introduce a resolution instructing the Committee on Retrenchment to report a bill providing for a Bureau of Civil Service, to prescribe the duties, qualifications, salaries, terms of office, &c., of employees of the government.

Mr. KERR objected.

Adjourned.

LOUISIANA.

The State Fair--Reconstruction Convention.

NEW ORLEANS, January 7.—The Louisiana State Fair commenced to-day, attracting a large number of strangers. Two steam plows are on exhibition.

In the Convention yesterday Mr. Blackburn offered a resolution providing that warrants of the Convention bear eight per cent. interest from the date of the assembling of the Convention until paid into the State Treasury, making them receivable for all dues to the State, and prohibiting tax receivers from receiving any warrants other than those issued by the Convention.

Mr. Cooley opposed them on the ground of the illegality of the proposed measures, and offered a substitute providing that tax receivers pay into the treasury the identical funds collected. Both were referred to a committee of three which reported against the latter. The Hall will no doubt be crowded and the "hop" prove a grand success.

A FOUNDLING.—Yesterday morning, a child aged about one year, made its appearance in Mrs. Wm. Ridge's house, corner of School and Robinson streets, Allegheny, under circumstances which went to show that its parents were unusually anxious to get rid of it. It appears that Mrs. Ridge left her premises in order to visit a neighboring store, and upon her return to her dwelling, found the little child upon the steps of her house. Having a large family Mrs. Ridge decided to take charge of the foundling, and gave it into the possession of the Directors of the Poor, who sent it to the Poor Farm, where it will receive all proper attention.

Allegheny and Pleasant Valley Railroad.

An adjourned meeting of the stockholders and others favorable to the opening of this road was held yesterday afternoon at three o'clock, at Mr Gray's hotel, corner of Pauline and Anderson streets.

Wm. S. Bissell, Esq., was called to the chair, and Wm. M. Clancy appointed Secretary.

The minutes of previous meeting, held December 18th, were read, and the meeting adjourned to confer with the Street Committee, was on motion of Mr. McCreery, continued.

After considerable discussion it was determined that the name of the Company shou d be "Pleasant Street and Pleasant Valley Railroad Company."

The object of the meeting having for some time, after which a temporary organization was effected by the election of the following officers:

Board of Directors—Wm. G. McCreery, W. M. Clancy, Wm. S. Bissell, John Kirkpatrick, Captain John Birmingham, James Kinghan, Richard Gray, Wm. McKendry, W. T. Price.

The meeting then adjourned in order to allow the stockholders to organize.

The Board organized by the election of the following officers:

President—Wm. M. Clancy.

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Meeting of the Republican Executive Committee, of Allegheny City.

The new Republican City Executive Committee of Allegheny City met last evening at the Treasurer's Office, in the City Building, Diamond. The members present were Messrs, McDonald, Hastings, Swaltzell, Lowrie, C. Batterson, Bothwell, Caugher, Heath, Megraw, Aiken, Batterson, Johnson, Stockton, Holmes, Dunham, B. F. Brown, Chambers, W. W. Brown, and Riddle.

On motion, John McDonald, Esq., of the Second Ward, was called to the Chair, and Geo. D. Riddle, Esq., appointed temporary Chairman.

On motion of Colonel Stockton, John McDonald was elected permanent Chairman; John Heath, Vice President; B. F. Brown, Secretary, and J. C. Patterson, Treasurer.

Mr. Holmes moved that a Committee of three be appointed to take the matter of improving our system of the holding of primary elections into consideration, and to report at the next meeting.

The motion was adopted, and the Chair appointed Messrs. Holmes, Heath and J. C. Patterson, as said Committee.

Mr. Holmes moved that as an Executive Committee we attend the polls unanimously on Tuesday next and support the regular Republican nominees for city officers. Upon the motion being put, it was adopted unanimously.

On motion, it was resolved that the members of the City Executive Committee from the different wards be constituted a Vigilance Committee for their respective wards at the election on Tuesday next.

On motion, the meeting adjourned to meet at the call of the Chairman.

EUROPE.

BY THE ATLANTIC CABLE.

Russian Intrigue in Roumania.

Protest from Lord Stanley.

Gold Discoveries on Amoor River.

Dispatch to Reuin.

LONDON, January 7.—Lord Stanley, Secretary for Foreign Affairs, acting upon the remonstrances of the Sublime Porte, has prepared a dispatch protesting against the alleged intrigue of Russian agents in Roumania.

Gold Discoveries.

ST. PETERSBURG, January 7.—Reports are received here from Siberia of the discovery of rich and extensive gold deposits on Amoor river. The natives were flocking to the gold regions by thousands. So great was the excitement that troops had been sent by the Governor of the District to preserve order and guard the mines, and desperate and bloody conflicts had taken place between the natives and soldiers.

Diplomatic Dinner.

The French ministers gave a dinner party this evening to several members of the Diplomatic Corps, and Senators and members connected with the Senate and House committee on Foreign Affairs.

Santa Domingo Envoy.

General Pablo Pujol has been received at the Department of State as Envoy of the Republic of Santo Domingo. This is the first diplomatic representative from that Republic that has ever been received by the United States.

House, Regents.

The Speaker this afternoon appointed Messrs. Garfield, Poland and Pruyn Regents of the Smithsonian Institute, on the part of the House.

The President Cau6.

A delegation waited on the President to-night, from New York and Connecticut, and presented him with a cane made from the famous Charter Oak tree. Postmaster Cleveland made the presentation speech, to which the President briefly replied in complimentary terms.

The Banquet To-Day.

Letters continue to pour in on the Democratic Committee for to-morrow's banquet. Most of them severely denounce the policy of the Republican party, and predict the triumph of the Democratic party in the Presidential election.

Shipping Intelligence.

SOUTHAMPTON, January 7, P. M.—The steamship Cambria, from New York, arrived here.

London Money Market.

LONDON, Evening, January 7.—Five-twenties, 71@72; Illinois Central, 86¾; Erie, 39½.

Liverpool Breadstuffs Market.

LIVERPOOL, January 7, P. M.—Cotton closed easier; sales 8,000 bales. Breadstuffs quiet and steady. Advices from Manchester are unfavorable.

Breadstuffs—Corn 46s 3d for mixed western. Wheat 10s 2d for white California; 9s 6d for No. 2 Milwaukee red. Barley 5s 2d for Canadian. Oats 2s 6d for American. Peas 47s 6d for Canadian. Provisions—Beef 115s 6d. Pork 72s. Lard 49s 6d. Cheese 63s. Bacon 49s.

Produce—Sugar quiet and steady. Tallow 43s 6d. Petroleum quiet; 1s 6d per refined.

Antwerp Petroleum Market.

ANTWERP, January 7, P. M.—Petroleum 48 francs.

NEWS SUMMARY.

BY TELEGRAPH.

A fire Monday evening broke out in the cellar of Baldwin & Co.'s grocery store, in Racine, Wisconsin, and consumed four buildings from the corner of Third street to Fixen & Miller's dry goods store. Loss, $30,000.

The reported sinking of Recluse Island proves to be a hoax.

The machine shop of Wm. Mason, at Taunton, Mass., including a large quantity of valuable new cotton machinery, was burned yesterday morning. Loss $30,000, fully insured.

The large brick building, corner of Augusta and John streets, Cincinnati, occupied principally by furniture dealers, was destroyed yesterday evening. Loss about $107,000.

Foster Blodgett, Postmaster of Augusta, Ga., has been suspended.

In the Virginia Convention yesterday the first section of the Bill of Rights, declaring all men by nature equally free and independent, was adopted.

The Dominion of Canada will soon invite proposals for a new six per cent. loan.

The banking house of Markell & Co., Dubuque, Iowa, suspended yesterday. Liabilities, $65,000; assets, $15,000.

The American ship, Ellen Foster, was wrecked in Uch Bay, Puget Sound, December 22d. Crew saved.

The adjourned session of the Missouri Legislature met yesterday. The Governor's message will be delivered to-morrow.

Hon. Odin Bourie will be inaugurated Governor of Maryland to-day.

CITY MATTERS.

LOCAL NEWS.—We are without our usual variety of local news this morning, owing to the press of other important matters upon our columns.

ALLEGHENY BOARD OF CONTROL.—The regular monthly meeting of the Board of Control of the city of Allegheny City was to have been held last evening in the Common Council Chamber, City Building, but a quorum failing to appear, the meeting was adjourned until Monday evening next, at half past seven o'clock.

LECTURE OF BISHOP KINGSLEY.—Bishop Kingsley, of the Methodist Episcopal Church, will deliver a lecture on Thursday evening, the 9th inst., in the Smithfield M. E. Church, on the subject: "Observations on the Pacific Coast." Tickets of admission can be had at the Methodist Book Stores and at the door. The proceeds are for the benefit of the Ladies' Home Missionary Society.

POST NO. 91, G. A. R.—At a meeting of Post No. 91, Grand Army of the Republic, of the Soldiers' League Library Hall, in Allegheny City, on Monday evening, the following officers were elected for the ensuing term: Post Commandant—T. Gibson; Senior Vice Commandant—John A. Fairman; Junior Vice Commandant—Geo. Crumpton; Quartermaster—Alex. English; Post Quartermaster—W. C. McKelly; Post Surgeon—Dr. J. Kirker. Comrades T. Gibson, David L. Smith and A. J. Pentecost were elected delegates to represent the Post in the State Convention of the G. A. R., to be held in Philadelphia on the 29th inst.

HOPE FIRE COMPANY OFFICERS.—At a meeting of the members of the Hope Steam Fire Engine and Hose Company, held at their engine house in the First ward, Allegheny, on Monday, the following officers were elected for the ensuing year:

—James Wells; Vice President—David Stewart; Secretary—Captain William C. Stockton; Treasurer—T. F. Irwin; Foreman—Thomas Lamont; First Hoseman—S. Kain; Second do.—Wm. Boles; Third do.—C. B. Dreshman; Fourth do.—Benjamin Gamble; Fifth do.—James Stewart; Sixth do.—James K. P. Smith; Fireman—Charles Carey.

GRAND "HOP" OF THE FENIAN BROTHERHOOD.—To-night the Fenian Brotherhood of the Iron City will give a grand ball, under the auspices of the Pittsburgh Circle of the Fenian Brotherhood, at Lafayette Hall. The committee of arrangements, to render this one of the most pleasant occasions of the season are a guarantee that it will surpass all former "hops" of the kind. The ladies, with their warm friendship of the Fenian cause, together with the most prominent gentlemen of the city, will be present. The Hall will no doubt be crowded and the "hop" prove a grand success.

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HAMS AND DRIED BEEF.

New Sugar Cured Hams;
New Sugar Cured Dried Beef;
New Sugar Cured Shoulders and Sides,

Just out of Smoke and for sale by

F. SELLERS & CO.

F. SELLERS & CO.,

MANUFACTURERS OF

EXTRA NO. 1 AND 2 LARD OIL,

COR. WAYNE AND PENN STREETS.

GRAFF, BYERS & CO.

MANUFACTURERS OF

Bar, Tank and Sheet Iron,

HAMMERED

RAILROAD AXLES,

Gas Pipe,

FOR CONVEYING STEAM, WATER AND GAS. ALSO,

OIL WELL TUBING.

WAREHOUSE,

98 WATER AND 132 FIRST STS.,

PITTSBURGH

PETROLEUM ASSOCIATION.

Operations of Oil Merchants---Change in the Contracts---the Matter Brought Before the Association.

A meeting of the Petroleum Association was held yesterday afternoon at their hall in Dalzell's building, on Duquesne Way, R. W. Burke, Esq., the President, in the chair, and H. M. Long, Esq., Secretary.

The minutes of the previous meeting were read and approved.

CHANGES OF SALES.

Mr. Long read reports from similar associations in Cleveland, Philadelphia and Oilopolis, approving of the fifteen days option system, with ten days notice. A letter from Mr. E. H. King, of Philadelphia, on the same subject was also read.

The matter was discussed by Messrs. Frew, Barber, Musgrave and others, and the general opinion appeared to be that the change was necessary.

Mr. Kirk offered the following, which was adopted:

WHEREAS, The responses from all parts of the country are favorable to the adoption of the pledges in reference to sales of fifteen, instead of thirty days option, as agreed on at the meeting of this Association December 18, 1867; therefore

Resolved, That it is now understood that said pledge be binding on all the parties, to go into operation on the 16th inst., and it is further understood that all contracts are to be made ten days notice within the time.

PREPARING A CIRCULAR.

On motion of Mr. Warden the Secretary was instructed to notify the Eastern Commission Merchants immediately of the action of the Association.

Mr. Kirk moved that the Secretary be directed to prepare and have printed a circular containing the action of this Association on the fifteen days option question.

Mr. Barber moved to amend by appointing Messrs. Hutchinson, Frew and Kirk a Committee to assist the Secretary in preparing the Circular. The motion as amended was adopted.

On motion of Mr. Warden, a committee of two was appointed to procure the names of all producers or refiners who have not already signed the pledge of the Association relative to the fifteen days' option system.

The Association then adjourned.

NOTICE TO MANUFACTURERS.—There will be a meeting of the manufacturers of this city and vicinity to-day, January 8th, at two o'clock P. M., at the Board of Trade Rooms to take action on the recent large reduction, as now ordered by the Internal Revenue. A full attendance is desired. By order of the Committee.

"1865" Ties and Bows,

At Oppenheimer & Co.'s, No. 83 Wood street.

AT GLENDALE STATION, five sycamore trees, four feet through, suitable for butcher blocks. The trees are cut down. By taking them away, and giving no trouble to the owner, they can have them gratis. GEORGE WILLARD,
Glendale Station.

Gents' Underwear,

At Oppenheimer & Co.'s, No. 83 Wood street.

The Citizens' Ins. Co.

Among the many Insurance Companies in our State, the Citizen's, of Pittsburgh, is ranked among the foremost. Officered by gentlemen of long experience in the financial and commercial world, and of the highest personal integrity, it is no wonder that uniformity has marked the operations of the Company, and the most gratifying success attended their efforts. The Citizens' Ins. Co., is one of the soundest in the Commonwealth, and well deserves the popularity and prosperity it has attained.

Dashness, Chronic Catarrh,

Diseases of the eye, throat, lungs and heart, successfully treated by Dr. Aborn, 134 Smithfield street.

Gents' Morning Wrappers,

At Oppenheimer & Co.'s, No. 83 Wood street.

Instantaneous Cures.

Corns, Bunions and Diseased Nails.—Dr. Randall, the well known chiropodist, is again in our city, and requests us to state that he can be consulted at his office, corner of Fifth and Ross streets.

Drawers and Underskirts,

At Oppenheimer & Co.'s, No. 83 Wood street.

BE SURE and call for "Mrs. Winslow's Soothing Syrup," having the *fac-simile* of "Curtis & Perkins" on the outside wrapper. All others are base imitations. m-w-f

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NEURALGIA, NERVE-ACHE, and all painful Nervous Diseases readily give way and leave the system when DR. TURNER'S TICDOULOUREUX or UNIVERSAL NEURALGIA PILL is resorted to. It has the effect of stimulating the nerves to healthy action. Sold by druggists. Apothecaries have it. Principal Depot, 120 TREMONT ST., BOSTON, MASS. Price $1 per package; by mail, two postage stamps extra. eod

JUNIPER TAR SOAP.—Is a certain cure for Chapped Hands and all roughness or irritation of the skin, Eczema, Ringworm, Salt Rheum, Pimples, Blotches, Blisters, Chilblains, &c., making the skin soft and smooth. Manufactured by CASWELL, HAZARD & CO., New York. Sold by all druggists. w-f

Fancy the Dismay

Which would prevail in thousands of households if it should be suddenly announced throughout the United States, Canadas, the West Indies and Spanish America that no more HOSTETTER'S BITTERS would be manufactured, and that henceforth the grand specific for Dyspepsia, and preventative of all malarious diseases would be lost to the world. The bilious, the feeble, the despondent; the traveler, the voyager, the miner, the sedentary student, the settler on the frontier of civilization; the toiler, cooped up in crowded city tenements; the convalescent, needing an invigorant; the shivering victim of ague, and the nervous of both sexes would find no words adequate to express too deep for words, that the most celebrated corrective, invigorant and alternative of the age, had been blotted out of existence. As a purgative and tonic; as a promoter of digestion; as a genial stimulant, a promoter of constitutional vigor, an appetizer, a stomachic, and a remedy for nervous debility, no medical preparation has ever attained the reputation of HOSTETTER'S BITTERS or the HOUSEHOLD TONIC of the AMERICAN PEOPLE—has been so for twenty years, and in all human probability will be so for centuries to come. The medical science recognizes its merits, and that it is emphatically the medicine of the masses is proved by its vast and ever increasing sales.

Similia Similibus Curantur.

ERUPTIONS, SALT RHEUM, ERYSIPELAS.

It is now generally admitted that all eruptive diseases depend upon some internal or constitutional cause, and that to use washes or other means for them is a sure way to injure the system, and only to drive in, not to cure the disease. But HUMPHREYS'S SPECIFIC HOMŒOPATHIC SALT RHEUM PILLS are a true specific for all such diseases. They cure Salt Rheum, Barber's Itch, Erysipelas, Pimples on the Face, Ringworm, and Nettle Rash, by curing the cause upon which they depend, and thoroughly purifying the blood and restoring it to purity. Thus, not only is the disease cured, but the softness and beauty of the complexion restored. Price, 25 cents per box, with directions. Six boxes, $1 25.

FAMILY CASES

Of 25 large vials, morocco case, containing a specific for every ordinary disease a family is subject to, and a book of directions - - $10 00

Smaller FAMILY and TRAVELING cases with 20 to 28 vials from - - $5 to $8

Specifics for all Private Diseases, both for Curing and for Preventive treatment, in vials and pocket cases, - - - $2 to $5

These Remedies, by the case or single box, are sent to any part of the country, by Mail or Express, free of charge, on receipt of the price. Address HUMPHREYS' SPECIFIC

Homœopathic Medicine Company,

Office and Depot, No. 562 Broadway, New York.

Dr. Humphreys is consulted daily at his office, personally or by letter, as above, for all forms of disease.

B. L. FAHNESTOCK & CO.,
Wholesale Agents.

A. Torrence, Geo. H. Keyser, E. Miner, Jos. Fleming, McClarran & McKennan, have them at retail.

DIED:

BROWN—Tuesday morning, at 3 o'clock, MRS. CATHERINE E., wife of Judge Brown.

Funeral will take place from the residence of her husband, near Perrysville, WEDNESDAY, at half-past 10 o'clock.

TEN BROECK—In Portland, Maine on the 19th inst., HON. C. G. TEN BROECK, Surgeon United States Army, son of the late Rev. P. S. Ten Broeck.

COFFIN—On Tuesday morning, 7th inst., CLARA, infant daughter of G. W. and Amanda M. Coffin, aged six months and sixteen days.

Friends of the family are respectfully invited to attend the funeral, from the residence of her parents, No. 58 Liberty street, THIS AFTERNOON, at 2 o'clock.

CONVERSION OF 7-30'S.

We are now prepared to Convert the Second and Third Series of

SEVEN-THIRTIES,

INTO THE

New 1867 5-20 Gold Coupon Bonds.

JAMES T. BRADY & CO.,

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SEVEN-THIRTIES

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FINANCE AND TRADE.

TUESDAY EVENING, January 7th, 1868.

Since the New Year has set in there has been little or no change in the business aspect. Adjusting and settling up of the accounts of the past six months fills up the time in counting rooms, but trade is dull; yet there is a more hopeful tone existing. A cotemporary journal, alluding to the reverses and changes experienced in the past year, says there is at least one lesson to be learned that should not be overlooked or forgotten. We allude to that species of overtrading that has manifested itself in almost all departments of business, in resisting a decline in prices, the necessary consequence of an appreciation of the currency. Everybody capable of counting the daily reported "premium on gold," knew on what a bubble trade was being carried on, and knew, too, in the nature of things, that this could not last. Manufacturers kept up their stocks, the miners of coal relaxed a little, if any, the lumber men cut and sawed their usual supply, the glass and iron makers, and trade generally, went on at the old cost of production, apparently with the conviction that there were consumers waiting for all that might be put into the market at war prices under a depreciated currency. The industry of the country has lost too much in the last few years for this to be possible. The currency has appreciated some, but what has told much more sensibly on trade is, that the losses by the war have been averaged through the whole community. Everybody feels it —the holders of invested securities as well as those engaged in active trade. It is impossible to escape it. The turn in the tide of affairs has come, and those who have not yielded to the change, and gone with it, are being carried to ruin. The few that have followed the market have suffered losses, but nothing in comparison with those who have borrowed